

Despite Nepra's instructions.....: K-Electric fails to install ToU meters

ISLAMABAD: Despite the directions of the National Electric Power Regulation Authority (Nepra) in 2016, K-Electric had failed in installing Time of Use (ToU) meters to power consumers which enable them to consume power economically and reduce their billings.

By not installing these meters, the utility has deprived domestic and commercial consumers of their just rights and burden them with high charges, the Senate Standing Committee on Power on Tuesday noted.

The committee that met here with the Senator Fida Muhammad Khan in the chair asked K-Electric that why it did not install these meters to consumers? Official of the K-Electric informed the committee that for industrial power consumers the meters have been installed.

He added that Nepra had asked K-Electric in 2016 to install ToU meters to consumers who are using power load of 5KWh and more, but due to financial constraints, the company had provided this facility only to the industrial sector.

Senator Nauman Wazir Khattak said that by installing these ToU meters, power consumers in Karachi could get cheap electricity, but now are paying high charges.

Nepra official told the committee that K-Electric has taken stay order on the tariff notified by the Nepra for the company. The company had also challenged the Nepra's decision that disallowing K-Electric to charge meter rent from the consumers. On each decision of the Nepra, K-Electric always takes stay order, the Nepra official complained.

"While noticing that state of affairs of K-Electric, we had to take some decision," secretary Power Division said. K-Electric has pending issues with Sui Southern Gas Company (SSGC), National Transmission and Despatch Company (NTDC) and Nepra, he said.

Senator Nauman Wazir advised K-Electric and Nepra that it would be better to make out of court settlement on their mutual issues. Chairman of the committee Fida Muhammad called them in next meeting of the committee to discuss the issues in detail.

The committee was informed that in 2015, Nepra had announced tariff for RFO-based and IPP plants, and apart from Reshman Power Generation Ltd and Gulf companies, there are 41 plants.

Senator Nauman Wazir said that major issue of power sector is the absence of free energy market. If we want to bring development in this sector, establishment of the market would be a must and also had to develop energy wheeling mechanism.

On the application of Reshman Power Generation Company for its conversion into an Independent Power Producer (IPP) for a term of 10 to 15 years, Power Division official told the committee that Supreme Court of Pakistan had scrapped the rental power plants and Reshman Power Generation Company one of them.

Under the short-term IPP policy, in 2015, Reshman Power was allowed to start generation. Now again it has asked for giving it the status of IPP, but we would take decision on it under the law and regulations, secretary power Irfan Ali said.

Representative of the Reshman Power said that they want to be converted into IPP and allow us to provide electricity to the Sundar Industrial Estate. As Power Division and Nepra were supposed to brief the committee about the rules under which “Nishat Power Limited” is earning profit at 32 pc of its investment against 17pc allowed by Nepra, but Minister for Power Omar Ayub said that including Nishat, other nine companies’ case in court of law and is sub Judice, so we cannot discuss it. Once the decision is issued on it, we would inform the committee.

The committee however, asked the power division to provide details of earning ratios of all the IPPs on their investments. The committee was told that Sanjwal Solar Power private Limited of five megawatts, it had applied in 2017 for wheeling licence, but they had incomplete documents. After power purchase agreement, it could be given the licence.

Israr Khan